

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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THE UNOFFICIAL ONSHORE :
CREDITORS' COMMITTEE OF THE :
BAYOU FAMILY OF COMPANIES, : No.: 06-cv-02379 (UA)
:
Plaintiff, :
:
v. :
:
BAYOU GROUP, LLC, *et al.* :
:
Defendants. :
-----X

**DECLARATION OF JOSEPH A. GERSHMAN IN SUPPORT OF THE
UNOFFICIAL ON-SHORE CREDITORS' COMMITTEE OF THE BAYOU
FAMILY OF COMPANIES' MOTION TO APPOINT A RECEIVER**

I, Joseph A. Gershman, declare as follows:

1. I am a Partner at Kasowitz, Benson, Torres & Friedman, LLP, counsel of record for Plaintiff the Unofficial Onshore Creditor's Committee of the Bayou Family of Companies. Unless otherwise stated, the facts in this declaration are of my own personal knowledge and, if called as a witness, I could and would testify to such facts.

2. True and correct copies of the following documents are attached to this declaration as exhibits:

Exhibit A: Allocution, *United States v. Israel*, No. 7:05-cr-1039-CM (S.D.N.Y. Sept. 29, 2005);

Exhibit B: Allocution, *United States v. Marino*, No. 7:05-cr-1036-CM (S.D.N.Y. Sept. 29, 2005);

Exhibit C: Application for Order of Forfeiture, *In the Matter of: the Proceeds of Wachovia Corp. Direct Deposit Account Nos. 2000026084477, 2000026090429, and*

2000026096326, in the name of Majestic Capital Management, No. CV 2005-008698 (Super. Ct. Ariz. Sept. 26, 2005);

Exhibit D: Order of Forfeiture, *In the Matter of: the Proceeds of Wachovia Corp. Direct Deposit Account Nos. 2000026084477, 2000026090429, and 2000026096326, in the name of Majestic Capital Management*, No. CV2005-008698 (Super. Ct. Ariz. Sept. 28, 2005).

Exhibit E: Order Granting Motion to Withdraw as Counsel of Record for Claimant Bayou Fund, LLC, *In the Matter of: the Proceeds of Wachovia Corp. Direct Deposit Account Nos. 2000026084477, 2000026090429, and 2000026096326, in the name of Majestic Capital Management*, No. CV2005-008698 (Super. Ct. Ariz. Sept. 6, 2005);

Exhibit F: Minute Order, *In re the Matter of Arizona State*, No. CV 2005-008698 (Super. Ct. Ariz. Feb. 17, 2006);

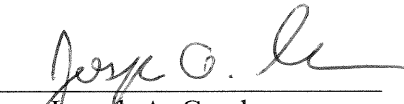
Exhibit G: Motion of Gordon I. Macrae and James G. Cleaver for Order Directing Joint Administration of Section 304 Cases, *In re Petition of Macrae*, Lead Case No. 05-51154, Jointly Administered Case Nos. 05-51154–05-51160 (Bankr. D. Conn. September 9, 2005);

Exhibit H: First Affidavit of Gordon Iain Macrae (attached as Exhibit A to Affidavit of Gordon Iain Macrae, *In re Petition of Macrae*, Lead Case No. 05-51154, Jointly Administered Case Nos. 05-51154–05-51160 (Bankr. D. Conn. September 8, 2005));

Exhibit I: Order for Preliminary Injunction and Granting of Petitions Under Section 304, *In re Petition of Macrae*, Lead Case No. 05-51154, Jointly Administered Case Nos. 05-51154–05-51160 (Bankr. D. Conn. Oct. 5, 2005).

I declare under penalty of perjury that the foregoing is true and correct.

Executed on: March 28, 2006.



Joseph A. Gershman